



# QUARTERLY REPORT

DECEMBER 2013

## HIGHLIGHTS

### The Company;

- Acquisition of copper and silver property in Moab Utah. Abundant copper at surface. Well advanced.
- Acquisition of base metals Project, Nabberu. Low cost entry into highly prospective, large-scale lead and zinc domain.
- Aeromagnetic data acquisition commissioned for Kimberley Projects. Continuing to advance and quantify high grade gold at the Grants creek and Angelo properties.

## OPERATIONAL

In Operational matters this quarter, Firestrike Resources has acquired 100% interest in a copper project in Utah USA. This property was the focus of a release made in November 2013 and is a robust disseminated copper project located close to road, rail and power and the town of Moab, Utah USA. The Company has already completed an initial investigation into the merits of the project and recently completed a substantial surface sampling programme with an intention of progressing to drilling at the project early in 2014.

The Company has also acquired two exploration licence applications covering part of the Scorpion and Salvation Faults in the Nabberu Basin Western Australia. The area is prospective for massive disseminated base metals deposition, and is following up on data indicating lead and zinc mineralising from previous exploration efforts. This project is also 100% owned by the Company.

On existing properties in Australia, Firestrike has completed airborne magnetic and radiometric studies over the Kimberley gold projects in an effort to resolve structural complexities at both properties.

Given the limited operating capital, Firestrike Resources Limited has remained focused on cost reduction and further funding will be directed towards the most advanced projects. Such cost cutting includes reducing the Managing Director's consulting fees by 50% from 1 January 2014.

The Company has 32,000,000 shares on issue with 9,229,092 options currently issued and 6,770,908 to be placed at the discretion of the Directors.

### **Copper Ridge Project – Utah USA. (100% Firestrike Resources Limited)**

Company has acquired the Copper Ridge Project, Salt Valley, Utah. This project is 100% owned by the Company and field work has already commenced.

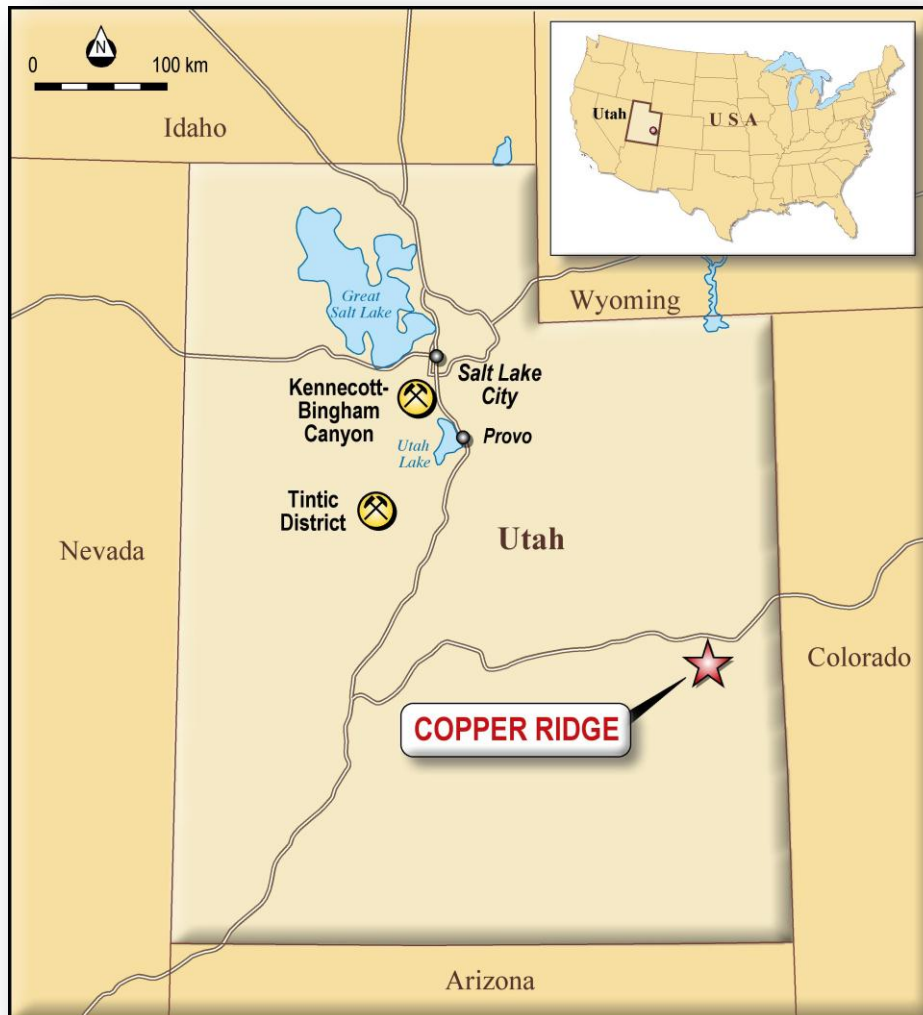
Copper Ridge has;

- Numerous historical small scale copper mines on the property and adjacent to the project area.
- A producing copper mine (80 kilometres to the southeast).

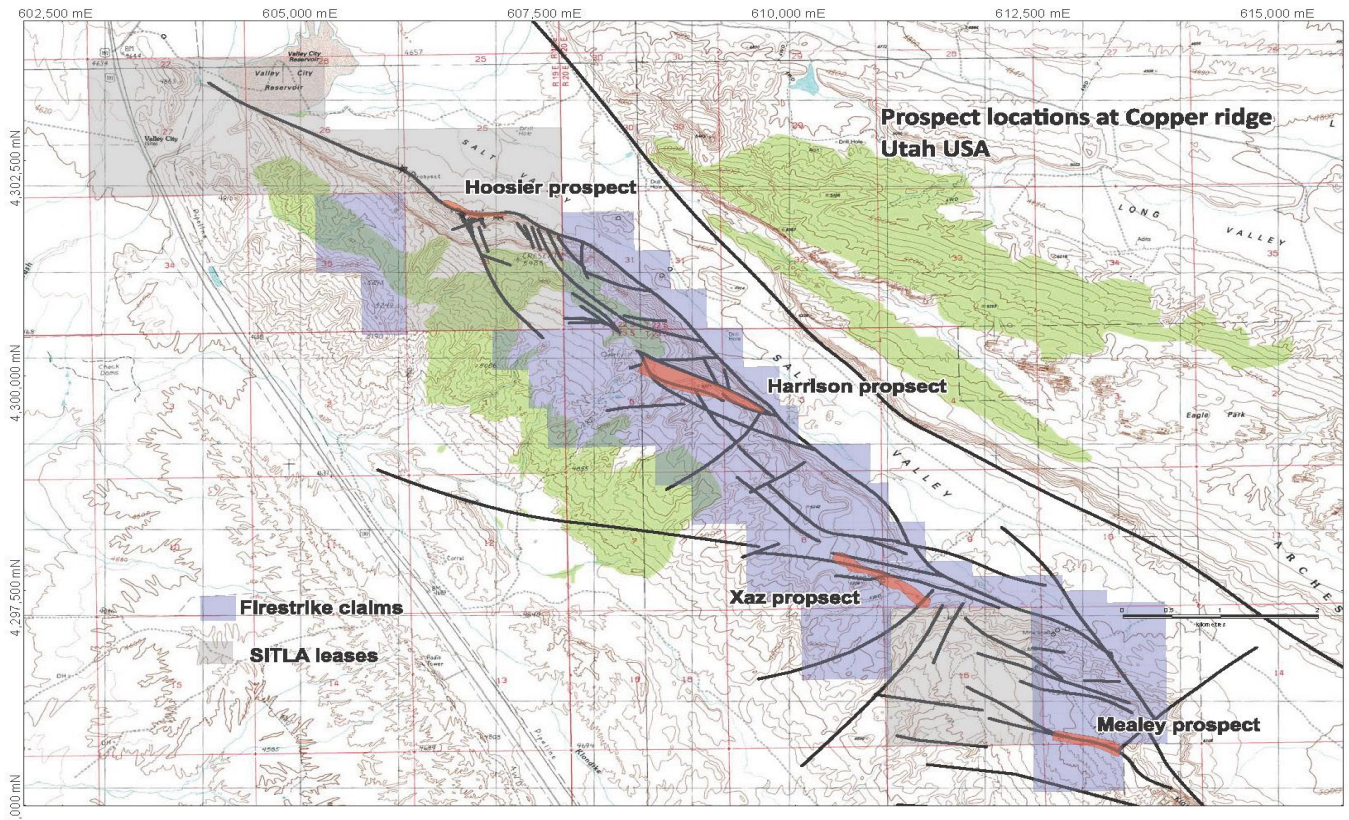
- Significant visible copper mineralisation at surface at a number of the already identified prospect locations.
- disseminated copper carbonate in sediments in outcrops.
- Exciting initial surface sample results obtained.
- As part of a preliminary due diligence of the project, 8 surface samples were collected at Copper Ridge. Samples from the Hoosier mine (Hoosier prospect) reported copper over 1% with **1.87%** copper (LSCC31), **8.05%** copper (LSCC32) **2.53%** copper (LSCC09), **9.31%** copper (LSCC10) and **2.36%** copper (LSCC11) and from the Xaz prospect of **1.34%** copper (LSCC12).

A full table of results is included below. The samples were collected at surface and taken from either the dumps surrounding old workings or from outcrop.

This initial result is very encouraging and the Company is now working to continue to define the nature and extent of the mineralisation at surface throughout the Company's claims area. The surface exposure allows the technical team to focus their immediate exploration efforts and consequently increases the likelihood of adding significant value to the project in the short term.



Property location map, Copper Ridge, Salt Valley Moab Utah USA



Prospect location Map Copper Ridge, Salt Valley Moab Utah USA

The Company already owns 175 claims in its own right and is in negotiation for the metalliferous mineral rights over the SITLA leases with the SITLA administration. (Refer to the accompanying map). Currently these leases are in contract to Pinnacle Potash Limited however multiple use of the leases are permissible at the discretion of the SITLA administration.

The first phase of exploration field work at the Harrison, Xaz and Mealey prospects including channel sampling, adit sampling and detailed mapping has finished. The Company will commence drilling in early in 2014 subject to confirmation of economic copper from the sampling programme.

This project is seen to compliment the other recent project acquisition in the Nabberu Basin where similar models for deposition and similar opportunities for significant development of base metals exist.

Formed from a broad anticline structure, Salt valley is 40 kilometres long and 1 kilometre wide, and is located 60 kilometres from the Moab township. It is crossed by the Interstate Highway I-70 and the Rio Grande Western Railroad. US Highway 183 parallels the southwest flank of the structure.

Geologically the valley is a faulted and partially collapsed anticline with the residual beds of the Paradox formation exposed at surface. This formation is a sedimentary sequence of sandstones, siltstones, limestones and shales formed from Paleozoic to Mesozoic times. Faults parallel both sides of the axis of the fold. This partial breaching of the anticline along these faults is a response to the dissolution of salt from beneath the sediments and subsequent basin deformation. The anticline plunges gently to the north.

Several small copper and copper/silver mines were active in the Salt Valley anticline on the south western limb. These deposits were worked intermittently from the early 1900s to 1930s and are now abandoned. The Hoosier Mine (within in the SITLA lease) is inferred to be on a fault splay on the southwest flank of the anticline in close proximity to the main north striking fault and is reported to have produced 100,000 ounces of silver from within the copper ore mined which was at a grade quoted in the Utah Geological and Mineral Survey Report 1979 <sup>1</sup> of 8% copper.

The Utah Geological and Mineral Survey Report 1979<sup>2</sup> also refer to a second significant mining operation (Harrison Prospect as shown on accompanying map) where copper was acid leached from disseminated ore. The mining was active in the 1970's but was discontinued due to operational inefficiencies. Whilst a resource was calculated for this operation and *“a large low grade copper reserve [was] reported to have been drill out”*, as it is not compliant with current JORC code and guidelines, it cannot be quoted.

Active mining is present today 80 kilometres to the southeast of Salt Valley at the Lisbon Valley Copper mine (a private company operation) which is reported to be producing between 20 – 30 million pounds (8,000-10,000 tonnes) of copper per year. Their total resource to date is approximately 256 million pounds (110,000 tonnes) of copper<sup>3</sup>. The copper is also within predominantly sandstone and is also processed using simple acid heap leach with SX/EW treatment.

**Table of Assay results from recent surface sampling by Firestrike Resources Limited**

Sample	easting	northing	Au ppm	Ag ppm	Cu %	Mn ppm	Mo ppm	Pb ppm	V ppm	W ppm	Zn ppm	Description
MD02	605,978	4,302,405	0.01	X	0.07	117	X	X	6	X	9	Outcrop sample north of Hoosier prospect
LSCC30	606,591	4,301,877	x	1.7	0.43	255	X	2	22	X	10	Outcrop sample ( Hoosier prospect)
LSCC31	606,592	4,301,877	0.01	44.8	<b>1.87</b>	330	19	20	9	X	14	Outcrop sample( Hoosier prospect)
LSCC32	606,591	4,301,878	0.01	43.9	<b>8.05</b>	692	6	24	13	X	51	Mine dump sample ( Hoosier prospect)
LSCC12	610,899	4,297,612	x	22.6	<b>1.34</b>	320	16	15	29	X	128	Mine dump sample( Xaz prospect)
LSCC10	606,936	4,301,863	x	<b>214.8</b>	<b>9.31</b>	283	193	47	9	X	12	Mine dump sample (Hoosier Mine)
LSCC11	606,781	4,301,864	0.01	4.5	<b>2.36</b>	<b>1698</b>	27	19	43	X	<b>9551 (Repeat 1.07%)</b>	Mine dump sample. (Hoosier mine)
LSCC09	606,979	4,301,861	x	8.6	<b>2.53</b>	302	X	14	22	x	500	Mine dump sample (Hoosier Mine)

All samples processed by Genalysis Laboratories, Maddington Perth using aqua regia digest with Flame Atomic Absorption Spectrometry. Repeat samples ( % values) completed using multi acid digest with Inductively coupled Plasma Optical Atomic Emission Spectrometry. X = below detection limit. Au = gold, Ag = silver, Mn = Manganese, Mo = Molybdenum, Pb = lead. V= Vanadium. W= Tungsten, Zn = zinc.

<sup>1</sup> Public domain data: Report of Investigation. Utah Geological and Mineral Survey No 143 Mineral Resource Inventory of the Paradox Salt Basin, Utah and Colorado by Harvey W Merrell and staff of the Utah Geological and Mineral Survey October 1979 . Prepared for Battelle Project Management Division. Office of Nuclear Waste isolation. Page 54

<sup>2</sup> Ibid page 55 and page 60

<sup>3</sup> <http://www.lisbonvalley.com/about-us/operations-overview/>

## **Nabberu lead and zinc Project ELA 53/345 and ELA 53/346 (100% Firestrike Resources Limited)**

The Company has applied for over 240,000 hectares of ground in the Nabberu Basin, Western Australia. It is anticipated that a focused programme of remote sensing, continued data collation and field sampling will add substantial value to the property in the short term with a view to having drill ready targets identified for testing in early in 2014 once the tenement is granted. The Company sees this as a very positive low cost entry into an area that is considered highly prospective for base metals, silver and gold.

This is in a region previously identified as likely to host stratiform mineral deposits but to date has been significantly underexplored. Past explorers include Western Mining, CRA Exploration, Geopeko, and Jubilee Gold Mines NL. The tenements are adjacent to Vale Exploration to the northeast and approximately 8 kilometres to the east of the well documented Willy Willy lead and zinc anomaly.

Evaluation of historical exploration results outline a massive target of **over 11 kilometres long by up to 1.2 kilometres wide of elevated Nickel, Copper, Lead and Zinc** and is the immediate priority for the Company looking to test for significant coherent mineralisation at depth.

During the 1970s Western Mining commenced exploration largely for vein style uranium and conducted vertical percussion drilling throughout the region averaging 30 metres deep. Whilst no uranium was encountered, the Company reported anomalous base metals with the most significant hole WA-NB-R46 (one of 6 holes out of 13 drilled within the application area to contain greater than 100 ppm lead or Zinc as tabled below) **returning 6m @ 1,111 ppm lead including 2 metres @ 2,350 ppm lead from 16 metres and 1,164 ppm zinc including 2 metres @ 1,550 ppm** from the same interval.

Elevated base metals in the remaining 5 holes around were intersected at around 14 – 28 metres deep all in oxidized sericite schist.

In the report by Jubilee Gold Mines NL (*Annual Report Nabberu 1979*), it is recorded that a geologist working for Giralia Resources Ltd collected “several” rock chips that contained anomalous Cu, Pb, Zn and Ag with only the most notable one quoted by Jubilee Gold Mines NL as **560ppm copper, 1,100 ppm lead, 2,300 ppm zinc and 17 ppm silver**. The actual sample locations and other results have not yet been confirmed nor the original data verified. This single reported result however does indicate that elevated base metals may be found at surface in the area. The result will be followed up in the field once the tenement is granted.

Diamond drilling some 400 metres north of hole R46 by CRA (focusing on an aeromagnetic feature) intersected elevated base metals at approximately 260 metres depth **with 620 ppm zinc, 840 ppm lead, 65 ppm copper and 60 ppb gold** in carbonate cemented siltstone containing disseminated magnetite within Scorpion Group sediments, and in a water bore 855WB1 drilled in proximity to WA-NB-R46, 8 metres @ 168 ppm Lead and 194 ppm Zinc from 32 metres was reported. (see tables below).

**Western Mining Corporation. Mt Davis Annual and terminal Report 1979.**

Drill hole Name	Easting (metres)	Northing (metres)	Depth (metres)	Comments
WA-NB-R11	348,338.5	7,198,781.5	48	no results above 100 ppm
WA-NB-R12	346,004.5	7,200,784.1	26	no results above 100 ppm
WA-NB-R14	339,031.7	7,206,032.3	42	no results above 100 ppm
WA-NB-R46	347,910.3	7,202,833.4	32	From 16 metres- 6m @1,111 ppm Pb, including 2m @ 2,350 Pb and 1,164 Zn including 2m @ 1,550 ppm Zn
WA-NB-R47	346,668.6	7,203,128.8	38	no results above 100 ppm
WA-NB-R48	345,564.2	7,202,506.8	26	From 12m- 6m @135 ppm Pb From 14m- 2m @170 ppm Zn
WA-NB-R49	344,065.7	7,203,337.4	40	From 14m - 22m @112 ppm Ni, and 6m @113 ppm Cu. From 18m - 22m @221 ppm Zn
WA-NB-R50	343,366.3	7,203,591.5	32	no results above 100 ppm
WA-NB-R51	342,073.2	7,203,993.6	28	From 18m - 18m @108 ppm Ni and 8m @176 ppm Zn
WA-NB-R52	340,748.2	7,203,257.5	22	no results above 100 ppm
WA-NB-R53	341,398.0	7,205,114.8	23	From 18m - 6m @1,250 ppm Ni and 6m @ 123 ppm Zn
WA-NB-R54	340,529.3	7,207,097.7	26	From 14m - 2m @100 ppm Ni From 18m - 8m @166 ppm Ni From 22m - 2m @105 ppm Zn.
WA-NB-R56	338,880.69	7,204,512.05	26	no result above 100 ppm

This table is compiled from the results of drilling as reported by Western Mining Corporation 1979 and only covers the drilling that was within the area applied for by Firestrike Resources Limited. Ppm = parts per million; Pb = lead, Cu = copper, Ni = nickel, Zn = zinc, Au = gold and Ag = silver.

**CRA Exploration Pty Ltd. Final Report on E49/68 Scorpion Stanley and Nabberu, Western Australia 1986**

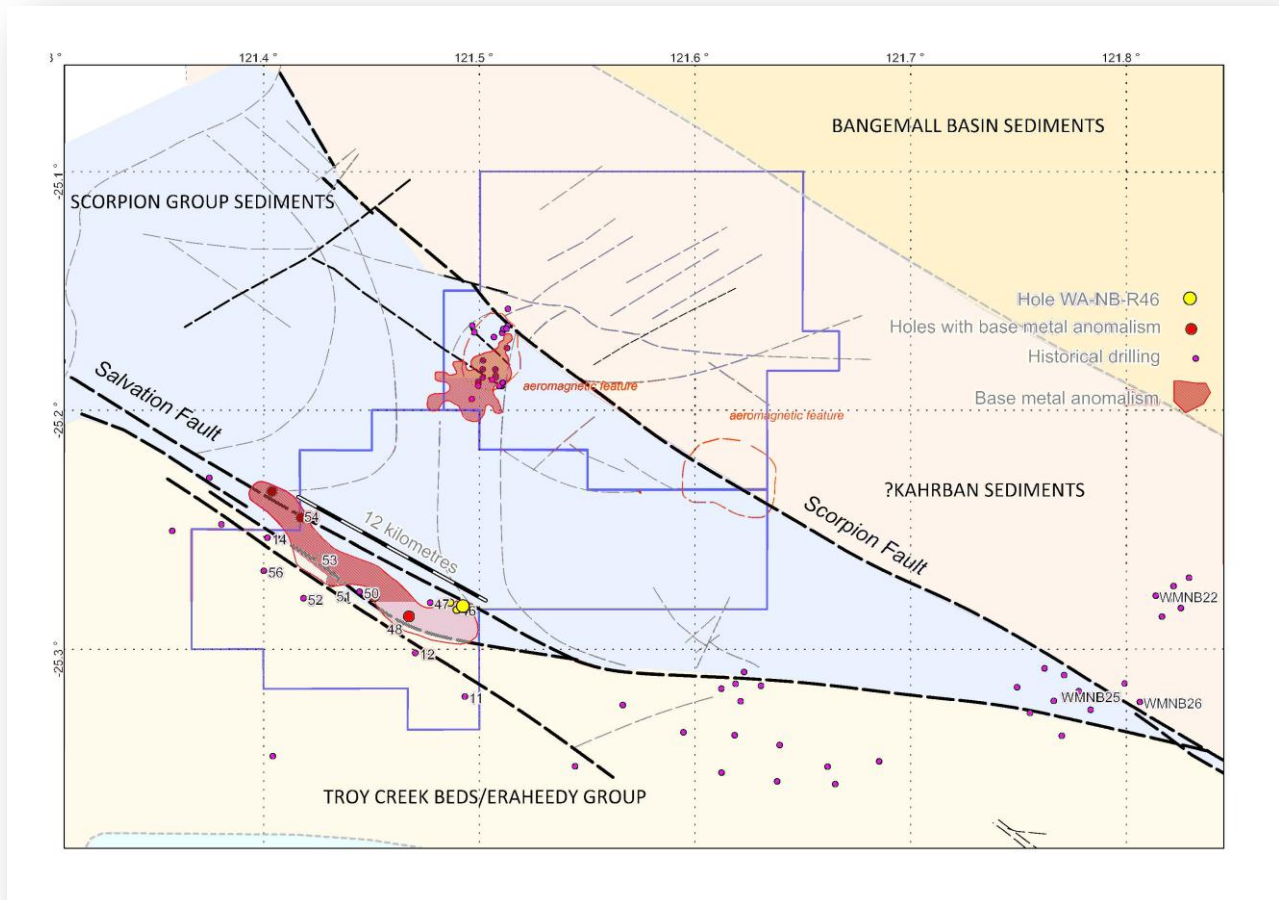
Drill hole Name	Easting (metres)	Northing (metres)	Azimuth	Dip	Depth (metres)	Comments
85SDD1	347,600	7,203,140	215°	-60°	301.5	Only selected samples taken for assay. Complete hole not sampled
Water bore (85SWB1)	347,900	7,202,800	0	vertical	49	Sampled in 2m intervals

HOLE ID	From (metres)	To (metres)	Comments
water bore	12	22	10m at 188 ppm Pb
water bore	30	40	10m at 164 ppm Pb
water bore	26	49	23m at 146 ppm Zn

The locations of drill holes in all tables have been taken from paper plans and are expressed in terms of UTM WGS84 Zone 50S datum. All coordinates are therefore approximate only until verified on the ground. Western Mining Corporation 1979 completed vertical rotary drilling with 2 metre composite samples; CRA Exploration 1986 completed 85SDD1 as 0-18m RC pre collar; HQ core to 71.9m thereafter NQ to end of hole; and the water bore (85SWB1) as a rotary mud hole with 2m composite samples.

Further base metals anomalism was also identified over the Scorpion fault by Jubilee Gold NL in the late 1990s with a cohesive halo over 2 kilometres in diameter. The target area was followed up with 19 RC drill holes (two with diamond tails) to test both the anomaly and a subtle aeromagnetic feature beneath the anomalism. Trace sphalerite and galena within vuggy dolomites was identified in core as were bitumen droplets and trace chalcopyrite and pentlandite identified within a dolerite at around 120 metres. The drill results however still did not adequately explain the source of the surface anomalism.

On tenement granting the Company will refine drilling targets through high resolution geophysical surveys looking to identify broad areas of sulphide enrichment within the basin sediments underlying the anomalies already identified and are keen to commence active exploration as soon as possible.



Location map and regional geology; Nabberu Projects.



**Grants Creek Project P80/1576, 1577, 1578, 1579, 1580, 1582, 1760.**

**(100% Firestrike Resources Limited)**

**Angelo Project, Halls Creek E80/2707**

**(100% Firestrike Resources Limited)**

The Company has completed a detailed aeromagnetic survey over the tenement area in conjunction with the survey completed at Angelo Project. Both projects remain prospective for high grade gold in vein systems and work to identify prospects whilst waiting access from the Kimberley Land Council continues.

## OTHER ACTIVITIES

The board has been actively involved in reviewing and appraising other global resource projects presented to the Company that were considered to offer the opportunity to grow shareholder wealth.

### SCHEDULE OF TENEMENTS

As at 31 December 2013

Project Name	Tenement ID	Number of tenements or claims	Ownership
Grants Creek, Western Australia	From PL 80/1576 to PL80/1580 inclusive, PL80/1582, PL80/1760	7	100% Firestrike Resources Limited
Angelo, Western Australia	EL80/2707	1	100% Firestrike Resources Limited
Copper Ridge, USA	From CR#001 to CR#169 inclusive	168	100% Firestrike Resources Limited

***Number disposed of during the quarter:***

Nil

***Number acquired during the quarter:***

Project Name	Tenement ID	Number of tenements or claims	Ownership
Copper Ridge, USA	From CR#001 to CR#169 inclusive	168	100% Firestrike Resources Limited

### **Competent Persons Statement**

The information in this announcement to which this statement is attached relates to Exploration Results, Mineral Resources or Ore Reserves compiled by Mr D. J. Holden, who is the Managing Director of the Company and is a Member of The Australian Institute of Mining and Metallurgy, with over 25 years' experience in the mining and resource exploration industry. Mr Holden has sufficient experience, as to qualify as a Competent Person as defined in the 2004 edition of the "Australian Code for Reporting of Mineral Resources and Ore reserves". Mr Holden consents to the inclusion in the report of the matters based on information in the form and context in which it appears. The company is reporting the historical exploration results under the 2004 edition of the Australasian Code for the Reporting of Results, Minerals Resources and Ore reserves (JORC code 2004)

### **About Firestrike**

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Firestrike is a Western Australian based mineral exploration company. In July 2011, Firestrike Resources Limited listed on the Australian Securities Exchange, focused on building its inventory of mineral assets. The Company is actively pursued projects or opportunities that could see significant value added through well managed exploration.

Firestrike Resources Limited has 32 million shares on issue and 9.2 million options.

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Firestrike Resources Limited

ABN

84 149 796 332

Quarter ended ("current quarter")

31 December 2013

### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	( 147)	(230 )
	(b) development	-	-
	(c) production	-	-
	(d) administration	(111)	(240)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	6	13
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other -	-	-
	<b>Net Operating Cash Flows</b>	<b>(252)</b>	<b>(457)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other - (provide details if material)	-	-
	<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(252)</b>	<b>(457)</b>

I.13	Total operating and investing cash flows (brought forward)	(252)	(457)
	<b>Cash flows related to financing activities</b>		
I.14	Proceeds from issues of shares, options, etc.	18	18
I.15	Proceeds from sale of forfeited shares	-	-
I.16	Proceeds from borrowings	-	-
I.17	Repayment of borrowings	-	-
I.18	Dividends paid	-	-
I.19	Other – Capital Raising costs	(4)	(4)
	<b>Net financing cash flows</b>	14	14
	<b>Net increase (decrease) in cash held</b>	(238)	(443)
I.20	Cash at beginning of quarter/year to date	600	805
I.21	Exchange rate adjustments to item I.20	-	-
I.22	<b>Cash at end of quarter</b>	362	362

### Payments to directors of the entity and associates of the directors

### Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000	
I.2	Aggregate amount of payments to the parties included in item I.2	103
I.24	Aggregate amount of loans to the parties included in item I.10	-
I.25	Explanation necessary for an understanding of the transactions	
	Consulting fees and salaries	

### Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not Applicable

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not Applicable

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-
3.2	Credit standby arrangements	-

**Estimated cash outflows for next quarter**

		\$A'000
4.1	Exploration and evaluation	175
4.2	Development	-
4.3	Production	-
4.4	Administration	100
<b>Total</b>		<b>275</b>

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	112	45
5.2	Deposits at call	250	555
5.3	Bank overdraft		
5.4	Other (provide details)		
<b>Total: cash at end of quarter (item 1.22)</b>		<b>362</b>	<b>600</b>

**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

## Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>*Ordinary securities</b>	32,000,000	32,000,000		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>*Convertible debt securities</b> (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> (description and conversion factor)			Exercise price	Expiry date
7.8 Issued during quarter	9,229,092	9,229,092	\$0.04	31 December 2016
7.9 Exercised during quarter				
7.10 Expired/Cancelled during quarter				
7.11 <b>Debentures</b> (totals only)				
7.12 <b>Unsecured notes</b> (totals only)				

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 29/01/2014  
Print name: Paul Lloyd

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.